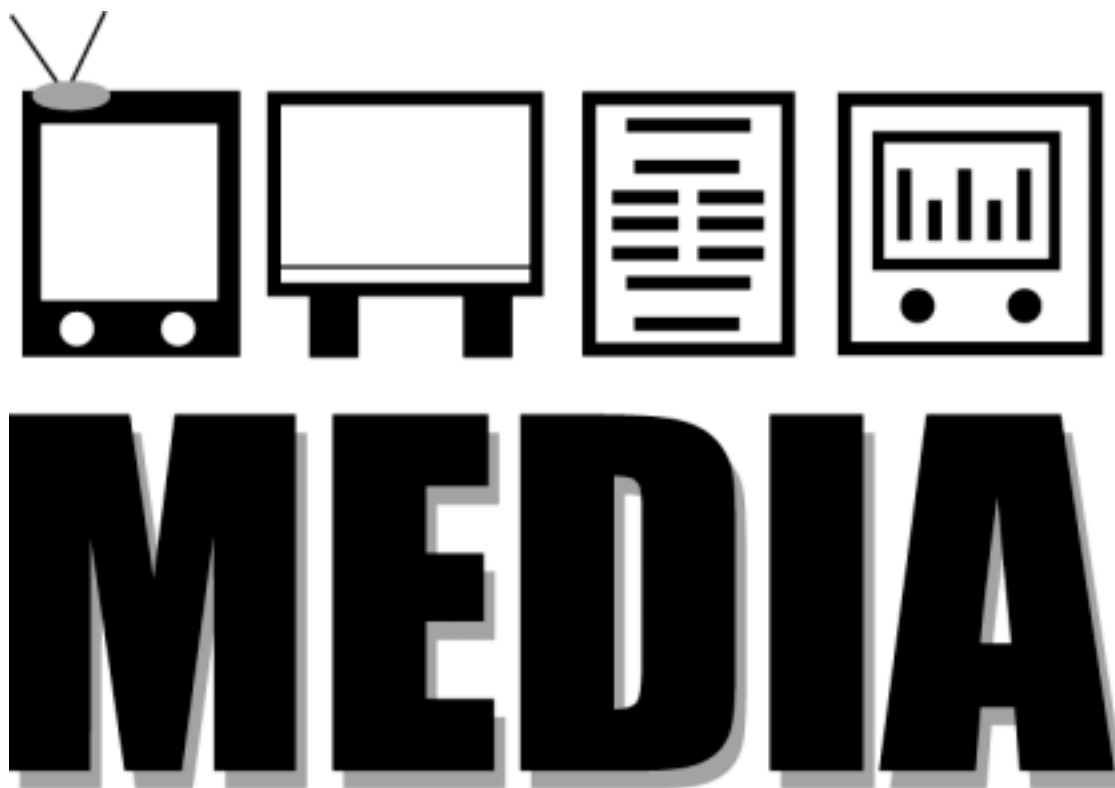

CALIFORNIA DEPARTMENT OF HEALTH SERVICES
TOBACCO CONTROL SECTION
P.O. Box 942732, MS 555
Sacramento, CA 94234-7320
(916) 327-5425

**REQUEST FOR PROPOSALS
00-90227**

**THE TOBACCO EDUCATION MEDIA CAMPAIGN
May 8, 2000**



DEPARTMENT OF HEALTH SERVICES

714/744 P STREET
P.O. BOX 942732
SACRAMENTO, CA 94234-7320
(916) 327-5425



May 8, 2000

TO: Prospective Applicants

SUBJECT: REQUEST FOR PROPOSAL (RFP) #00-90227
TOBACCO EDUCATION MEDIA CAMPAIGN

On behalf of the California Department of Health Services, we invite your participation in the advertising agency selection process for the California Tobacco Education Media Campaign. The purpose of this RFP is to find an advertising agency that can continue the State's award-winning anti-tobacco marketing campaign. The RFP will provide approximately \$25 million per year for five years to continue this effort.

The RFP specifies eligibility requirements and submission timelines. Please read the RFP carefully, as applicants must comply with all instructions to be reviewed. Key dates are:

- Preliminary Eligibility Requirements **May 23, 2000**
- Agency Capabilities **June 7, 2000**
- On-site Visits **June 12-16, 2000**
- Financial Review **June 30, 2000**
- Assignment and Cost Proposal **July 20, 2000**
- Oral Presentation **August 17-18, 2000**

Please note that the RFP has been substantially revised from previous years to more closely mirror the agency review process in the private sector. The Conflict of Interest requirement has also been revised to allow more agencies to apply.

If your agency is determined to be eligible and is interested in applying, it is important to visit the CDHS/TCS website at www.dhs.ca.gov/tobacco. At the website you will find necessary information including a complete RFP plus required forms, background on the program, fact sheets, and program evaluation reports.

Prospective Applicants
Page 2
May 8, 2000

California has been a leader in social marketing and anti-tobacco marketing for the last ten years. Our goal is to have the work that results from this process not only continue that tradition, but to move it to the next level.

Sincerely,

Original Signed by
Dileep G. Bal, M.D.

Dileep G. Bal, M.D., Chief
Cancer Control Branch

cc: Local Lead Agencies
Regional Community Linkage Projects
Ethnic Networks
Competitive Grantees

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I. OVERVIEW

A. PURPOSE

The California Department of Health Services, Tobacco Control Section (CDHS/TCS) is seeking a lead advertising agency that has the capability to oversee a statewide campaign targeted toward the general public and ethnic communities. This campaign is one part of a comprehensive, multifaceted program that has the goal of reducing adult and youth tobacco use in the state. The state's anti-tobacco efforts and Advertising Campaign Scope of Work (*Attachment A*) have always been built upon four objectives, which the lead advertising agency will be expected to embrace:

- Counter pro-tobacco influences throughout the state
- Eliminate involuntary exposure to secondhand smoke
- Raise individual and community awareness of the need to reduce the availability of tobacco products to youth
- Support smokers in their efforts to quit and stay quit

Beyond the general market campaign, the successful agency will be expected to manage (either in-house or by subcontractor) the development of language-specific, culturally sensitive messages for California's Hispanic, African-American, and Asian-American communities, and any other target population deemed appropriate by CDHS/TCS. In addition, the Contractor will be required to promote the State's toll-free information and counseling tobacco cessation service, the California Smokers' Helpline, and the Stop Tobacco Access to Kids Enforcement (STAKE) Act hotline for reporting illegal sales of tobacco products and illegally placed tobacco billboards.

Ultimately, this Request for Proposals (RFP) will serve to identify an agency with a capable staff that can put forward strong ideas while demonstrating the best plan to manage the creative development, production, media placement, and all of its team, subcontractors and vendors. It is optional for agencies to identify proposed subcontractors during the proposal process, as the review process for this RFP will focus primarily on the creative ideas and organizational capabilities of the agencies submitting proposals. However, once the contract is awarded, the successful agency is expected to bring in subcontractors and vendors necessary to meet all contractual requirements.

B. THE TOBACCO CONTROL SCENE: THEN AND NOW

In 1988, the citizens of California approved Proposition 99 – the Tobacco Tax Initiative – which added a 25-cent tax to tobacco products and earmarked a portion of that revenue to go toward health education. The Tobacco Education Media Campaign is but one component in a multi-pronged, comprehensive effort within the state's Tobacco Control Program. Although many things have been accomplished in its first ten years, much remains to be done in California, and much more could be undone if constant vigilance is not maintained.

California's tobacco prevention campaign, once new and unique to the public, now competes with a multitude of health promotion and social marketing campaigns at the local, state and federal levels, many of which came into existence in an attempt to replicate the statewide tobacco prevention campaign's overwhelming success. California's advertising campaign must recapture and hold the public's attention, spark adults' desire to quit, and empower youth to resolve never to start using tobacco and adopt belief systems that support a tobacco-free society.

This RFP as well as additional information regarding the overall Tobacco Control Program can be found at the following website: www.dhs.ca.gov/tobacco. The proposer should review the information at this site, which includes supplemental materials related to the California Tobacco Control Program. Draft contract language for this RFP will be posted on the web site by May 18, 2000.

C. CONTRACT TERM AND SCOPE OF FUNDING

The contract term is anticipated to be October 1, 2000 through June 30, 2005, with \$45 million estimated to be available for the first year of the contract and approximately \$20 million for each of the remaining four years, for a total of approximately \$125 million over five years. Funding for any year of the contract period may be adjusted to no more than the amount authorized by the Governor's annual budget and legislative authority and is dependent upon the availability of future appropriations by the Legislature. If changes are required by legislative mandates, court action, or other administrative action affecting the Tobacco Education Media Campaign, the contract shall be amended or terminated accordingly to comply with these actions or directives. Funding for each year of the contract also will be dependent upon a successful Contractor performance review conducted annually by CDHS/TCS. These reviews will determine whether the Contractor is abiding by the terms of the contract and should be recommended for the next year's funding.

If after the first year of the contract the Contractor does not pass an annual performance review, the State may elect to terminate the initial contract with 30 days written notice and award a contract to the next highest scoring proposer without conducting another RFP process.

D. RFP STAGES AND REVIEW PROCESS

The format of this RFP is different from past TCS Media Campaign RFPs. It has been designed to attract more agencies to apply for the contract. It represents a new process that allows for more interactions between applying agencies and CDHS/TCS while reducing the amount of time and resources required of prospective applicants.

A five-stage process has been established with simplified application and review components for each stage. A full description of expectations for each stage can be found in Section II of this RFP. The stages and review components are as follows:

Stage 1 – Preliminary Eligibility Requirements..... Pass/Fail
To determine whether agencies meet the basic requirements of the RFP.
Only agencies that pass will advance to Stage 2.

Stage 2 – Agency Capabilities 50 points maximum
To assess the staffing and operational capabilities of the agency.
Only agencies scoring at least 35 points will advance to Stage 3.

Stage 3 – On-Site Visit and Agency Presentation..... 100 points maximum
State representatives will tour prospective agencies,
meet staff, and receive a presentation.
Only agencies scoring at least 70 points will advance to Stage 4.

Stage 4 – The Assignments 150 points maximum
Agencies will be asked to produce financial records, develop strategies
for a campaign, provide a Cost Proposal, and complete a Budget Summary.
Only agencies scoring at least 105 points for Stage 4 will advance to Stage 5.

Stage 5 – Oral Presentation 100 points maximum
Based on strategies developed in Stage 4, agency
teams will make presentations before a review panel.
Only agencies scoring at least 70 points for Stage 5 will be eligible for final consideration.

The total points for Stages 2 through 5 – a possible score of 400 – will be combined at the completion of the review process, and the agency with a score of at least 280 and the highest combined score will be awarded the contract.

E. THE RFP SCHEDULE

Below is a schedule of key RFP dates. Please refer to Section II for detailed information of requirements. For the purposes of this RFP, all times given are for Pacific Standard Time.

May 8, 2000RFP Released
May 23, 2000 by 5 p.m. **Stage 1 – Preliminary Eligibility**
May 24, 2000Agencies will be notified (by phone with follow-up letter) of Stage 1 results
June 7, 2000 by 5 p.m......**Stage 2 – Agency Capabilities**
June 9, 2000Agencies will be notified (by phone with follow-up letter) of Stage 2 results
June 12 – June 16, 2000 **Stage 3 – On-Site Visit and Agency Presentation**
June 19, 2000Agencies will be notified (by phone with follow-up letter) of Stage 3 results
June 20, 2000State will mail cost proposal format and instructions and case study assignments
June 30, 2000 by 5 p.m......**Stage 4 – First Submission: Financial Records**
July 20, 2000 by 5 p.m......**Stage 4 – Second Submission: The Assignments**
August 4, 2000 ...Agencies will be notified (by phone with follow-up letter) of Stage 4 results
August 17-18, 2000 **Stage 5 – Oral Presentation**
September 12, 2000.....Notice of Intent to Award a Contract posted/issued
September 18, 2000..... Deadline to file contract award appeal
October 1, 2000 Contract start date
(Bolded dates denote proposal Stages in the RFP)

II. STAGES OF THE PROPOSAL PROCESS

As stated earlier, the RFP process consists of five stages, each with a review component that will serve to narrow the field of eligible agencies throughout the process. This section contains the specific instructions for Stage 1, Stage 2 and Stage 3 and general instructions for Stage 4 and Stage 5. All of the instructions should be reviewed thoroughly. At the completion of each stage, agencies will be notified by telephone with a follow-up confirmation in writing as to whether they qualify to continue on to the next stage. Those agencies competing in Stage 4 and Stage 5 will receive additional instructions upon notification. All additional RFP-related instructions and information mailed to proposers will be incorporated as part of the RFP.

A. STAGE 1: PRELIMINARY ELIGIBILITY REQUIREMENTS

(Scoring: Pass or Fail)

Stage 1 will identify those agencies that meet the basic requirements of the RFP. Agencies that provide one (1) original and three (copies) of all information requested below **no later than May 23, 2000, at 5 p.m.** and meet all of the minimum specified requirements will qualify to continue in the proposal process. Written responses should be placed in the same order as the following outline:

1. Cover Page

Complete the Stage 1 Cover Page (*Attachment B*).

2. California Office

Provide documentation demonstrating that the proposer currently has a full service California-based office to service this account.

3. Gross Billings

Provide a signed statement that the agency had at least \$20 million in gross billings per year in calendar years 1997, 1998, and 1999 from its California-based office that would service the CDHS/TCS account. This signed statement should include the actual billings for each calendar year and the projected annual billings for 2000.

4. Guaranty Provision

If the agency is a subsidiary corporation, CDHS/TCS requires a signed guaranty that the Parent Corporation would honor the contract awarded from this RFP. The full requirements for this provision can be found in *Attachment C*.

5. Conflict of Interest

Any agency contracting with CDHS/TCS is required to provide a statement that its operation is not in the position to be involved in any exchange of information with the tobacco industry or with any other agency working closely with the tobacco industry. The applying agency should assess its own situation according to the Conflict of Interest Compliance Certificate in *Attachment D* and sign and return the Conflict of Interest certification only if reasonably certain that no such conflict exists. In the event that an

applicant agency has a relationship with the tobacco industry, the applicant needs to provide a written statement to CDHS/TCS that describes the relationship it has with the tobacco industry and its plan for protecting CDHS/TCS from any exchange of information.

In Stage 1, the State reserves the right to allow a proposer to participate in subsequent stages while requesting additional clarification and documentation regarding the Conflict of Interest requirements or any other RFP requirement. If the additional clarification and documentation do not, at the State's sole determination, satisfy the State's requirements to be protected from a potential Conflict of Interest, the proposer will be notified in writing and will not be allowed to participate further in the RFP review.

Preliminary Eligibility Requirement submissions will be reviewed based upon the above five components to determine whether individual agencies meet the most basic requirements of the RFP. Submissions for Stage 1 will be graded on a "Pass" or "Fail" basis. Only those agencies that meet all of the Preliminary Eligibility Requirements will advance to participate in Stage 2 of the RFP process.

B. STAGE 2: AGENCY CAPABILITIES
(Scoring: 50 points possible)

All agencies that respond to Stage 1 and successfully pass the preliminary eligibility requirements will be contacted and invited to demonstrate Agency Capabilities. Agencies receiving confirmation they have passed Stage 1 should submit one (1) original and five (5) copies of a written response to the requests stated below **no later than June 7, 2000, at 5 p.m.** Use and include the Stage 2 Table of Contents found in *Attachment E*.

1. Executive Summary

On no more than five pages, describe how your agency will provide full service capability, including, but not limited to: account service, creative staff, market research, advertising evaluation, media planners/buyers, production planning and execution, and expert advice on key trends and issues in advertising and social marketing. Describe the strengths of your organization, including historical accomplishments, account leadership, and experience with outreach to ethnic communities. From the agency's own understanding of the tobacco control challenge in California, describe what CDHS/TCS needs from its media campaign. Explain how your organization will help achieve the goals of CDHS/TCS, and note any plans to meet obligations through subcontractors (subcontractors need not be identified at this time).

2. Agency Personnel

The proposer shall provide resumes of technical and professional staff who will be assigned to the CDHS/TCS account, no more than two (2) pages per employee. Include staff or proposed consultant that would be responsible for Screen Actor's Guild and American Federation of Television and Radio Artists negotiations. These resumes shall include the following:

- a. Name, title and current office address.
- b. Differentiate between staff or consultant employment for each position held.

- c. Description of experience in general market advertising and/or a related field, including number of years.
- d. Current accounts assigned, length of time assigned, and a description of duties (include level of responsibility).
- e. Previously assigned accounts and duties including accounts with previous employers within the past five years (include level of responsibility).
- f. Education.

3. Organizational Chart

The proposer shall provide an organizational chart of its company indicating location and anticipated supervisory responsibilities of management and staff assigned to the CDHS/TCS account. Note vacant staff positions and positions that would be created to handle workload of the contract. Also note any key staff whose primary physical location will be anywhere other than the California-based office that will service this account. The Organizational Chart must indicate any relationship to a parent company and subsidiaries.

4. References

Provide a minimum of three (3) client references within the past three (3) years whose needs were similar to the nature and scope of the services outlined in the Advertising Campaign Scope of Work (*Attachment A*). Include company name, full address, contact (name, title and telephone), alternate contact (name, title and telephone), description of services provided, effective date and duration of contract, and amount of contract.

5. Advertising Account History

Provide a complete list of clients from 1997 to present with the following information:

- a. Client's name, address, and telephone number.
- b. Indicate the approximate size of each account in terms of annual billings. Accounts of \$1 million or more shall be rounded to the closest \$1 million. Accounts less than \$1 million shall be rounded to the closest \$250,000.
- c. Indicate the status of each account as open or closed. State the starting date for all accounts and the ending date for closed accounts.
- d. For closed accounts, indicate the reason for discontinuation.
- e. Indicate accounts that resulted in purchases of California media and whether a media buying service was utilized.
- f. Highlight any accounts that have a clear and specific young adult or ethnic-targeted component.
- g. Highlight any experience managing and coordinating a team of specialized subcontractors and/or consultants.
- h. Highlight any experience with government or nonprofit private sector clients (e.g., American Cancer Society, American Red Cross).
- i. Identify pro bono advertising efforts.
- j. Highlight projects that were social marketing, public policy, or issue campaigns.

CDHS/TCS may, at its sole discretion, contact previous clients of the proposer, in addition to the references provided. If CDHS/TCS exercises the option to contact one or more clients in addition to those references furnished by the proposer, an equal number of clients will be

contacted and identical questions asked for all agencies whose made a submission for Stage 2 of the review process.

6. Evaluation of Advertising

On no more than two pages, respond to the following requests:

- a. Describe experience and methodologies your agency (or your subcontractor or consultant) has used to evaluate the effectiveness of advertising campaigns overall and individual advertising strategies or creative.
- b. Describe the size and credentials of your research, development, and evaluation department(s). Include in your description whether these functions are normally performed in house or by a subcontractor or consultant.
- c. Describe method(s) previously used by the agency to analyze the content and emphasis of a campaign's strategic components. Include:
 - whether work was performed in-house, by a subcontractor, by a vendor, or by a freelancer.
 - steps normally taken to substantiate factual content of ads.
 - how substantiated facts are maintained by agency.
- d. Include the name and address of the person or firm who is designated to review advertisements and substantiate their factual content for legal compliance.
- e. Describe what procedures your agency uses to track, analyze, evaluate, and adjust media placement. Would this function be performed by in-house staff, subcontractor or vendor?

7. Media Placement

On no more than four pages, describe your agency's experience in media placement by addressing the following questions:

- a. What were the total media dollars placed in California during the 12 months ending December 31, 1999, for spot TV (provide day-part splits), spot radio, regional/local magazines, newspaper, outdoor, transit, Internet and other media? Note for each medium whether media placement was performed in-house or through a media buying service. What was the percent of total gross billings that went for media placement during that year?
- b. Is there any business entity other than the proposer that would be responsible for media purchases for this contract? For what media purchases would it be responsible?
- c. What is your agency's history in obtaining bonus weight and PSA placements?
- d. What is the size of your media planning/buying department in terms of personnel, number of clients and workload?
- e. What is the agency's experience in ethnic market placement? If your agency does not have such experience, or that experience is limited, describe the steps your agency would take to ensure that ethnic markets are included in the campaign.

8. Creditor's Letter of Commitment

Provide a Letter of Commitment from an agency Creditor recognizing that initial payments may be delayed approximately 60 days from receipt of the first invoice. The letter should demonstrate that the proposer has adequate financial resources to cover delays, particularly

during the initial start-up period. *Such a letter is necessary only if borrowing will provide any or all of the monies necessary to meet initial expenses.*

Responses to the eight Agency Capabilities components above will be scored on a 50 point basis. Only agencies receiving a score of at least 35 points for Stage 2 will advance to the next stage of the RFP process.

C. STAGE 3: ON-SITE VISIT AND AGENCY PRESENTATION
(Scoring: 100 points possible)

Each agency that responds to Stage 2 and scores at least 35 points in the review process will be contacted to schedule a time **between June 12 and June 16, 2000**, when CDHS/TCS representatives can visit the agency. The purpose of each visit will be: 1) to tour the agency facility and meet personnel that may be assigned to the account, 2) to allow an opportunity for agency staff and CDHS/TCS representatives to discuss the goals and objectives of the RFP, and 3) for CDHS/TCS representatives to observe a Capabilities Demonstration and a Case History Presentation by the agency team. The two presentation components are outlined below:

1. Capabilities Demonstration

This portion of the presentation will give the agency a chance to highlight a variety of its accomplishments. Through visual materials and oral descriptions, team members shall provide CDHS/TCS with a flavor of the agency's strategic and creative capabilities.

Two copies (in 8½- x 11-inch format) of creative work samples developed by the California-based office servicing this account will be made available for CDHS/TCS representatives to retain. For each advertising sample, list the marketing objective, the target market, the creative strategy, and the creative team, indicating the persons based in the California office who would service the CDHS/TCS account. Samples shall be work that was completed after January 1, 1997. Include the following:

- a. Five (5) television ads on a single half-inch VHS reel.
- b. Five (5) radio ads on the same VHS reel.
- c. Five (5) print ads (newspaper and magazine)
- d. Five (5) outdoor ads (presented in a format that fits on an 8½ x 11 page).
- e. Three (3) additional items that the agency chooses that illustrate the proposer's unique creative strengths.

2. Case History Presentation

The agency is to select one particular campaign its California-based team designed and implemented, and present the details of that campaign from beginning to end. Two copies of any executions for television, radio, print and/or billboards for the presented campaign, as well as any collateral materials, will be given to the CDHS/TCS team to retain. The presentation should include:

- a. Key facts from background market research and analysis.
- b. Other considerations, e.g., budget, competition, organizational and environmental constraints.

- c. Identification of target markets, including approximate audience size, age range, language, and culture/ethnicity.
- d. Media objectives.
- e. Creative strategy/positioning.
- f. How the campaign was evaluated and the results.

Scoring of the On-Site Visit and Agency Presentation will be based upon the above two components and scored on a 100 point basis. Only agencies receiving a score of at least 70 points for Stage 3 will advance to Stage 4 of the RFP process.

D. STAGE 4: THE ASSIGNMENTS
(Scoring: 150 points possible)

Each agency that participates in Stage 3 and scores at least 70 points in the review process will be contacted and invited to submit the following materials. This stage requires participating agencies to make two separate submissions in order to be scored. First, the agency shall submit two (2) copies of its financial records, according to the criteria described below, **by no later than June 30, 2000, at 5 p.m.** Second, the agency shall submit one (1) original and twelve (12) copies of a written response to the Assignments described below **by no later than July 20, 2000, at 5 p.m.** The two submissions will be scored together. **More detailed instructions regarding the Financial Records Review and the Assignments will be mailed out to the participating agencies.**

1. First Submission – due June 30, 2000, at 5 p.m.

a. Financial Records Review

Each proposer must submit one of the following:

- Certified financial statements in customary form for its last three years and quarterly reports to shareholders, if any, for the current fiscal year as required by the Securities and Exchange Commission; **or**
- Financial statements for its last three years reviewed by an independent third-party Certified Public Accountant (CPA) and quarterly reports to shareholders, if any, for the current fiscal year as required by the Securities and Exchange Commission; **or**
- Internal Revenue Service tax return records for its last three years and quarterly reports to shareholders, if any, for the current fiscal year as required by the Securities and Exchange Commission.

Certified financial records shall be the result of an audit of the proposer's records in accordance with generally accepted auditing standards by a CPA licensed to do business in the State of California or in the state in which the proposer's principal place of business is located if other than California. CDHS/TCS reserves the right to require any additional information necessary to determine the financial integrity and responsibility of a proposer.

Financial records received by CDHS/TCS will be kept confidential and will be destroyed at the time of the posting of the Notice of Intent to Award a Contract.

Second Submission – due July 20, 2000, at 5 p.m.

a. Campaign Assignment

Using a narrative format, the agency will be assigned to:

- **develop a written plan** for an advertising campaign based upon a real challenge in California's tobacco education effort.
- based on the plan, gather information and formulate a **powerful strategy** that demonstrates the agency's understanding of California's tobacco control challenge.

(Each agency that successfully completes this assignment and scores well enough to move on to Stage 5 will be asked to develop a campaign based upon the plan and strategy they developed and present it before a review panel during Stage 5 of the proposal process).

b. Cost Proposal Assignment

The agency will complete the Cost Proposal form (to be mailed June 21, 2000, by State to agencies successfully completing Stage 3), which outlines the pricing methods used by the organization. The Cost Proposal will be evaluated based on cost-effectiveness, cost competition, and best value of its services.

The response to this Cost Proposal may be incorporated verbatim into the contract with the agency selected. Therefore, it is in the interests of both CDHS/TCS and your agency to be as clear and specific as possible.

c. Budget Summary Assignment

The Budget Summary allows agencies to propose the distribution of funds for the production and placement of the various campaigns. Based on five (5) annual budgets of \$25 million, provide an annual Budget Summary, including proposed budgets for specific campaigns or target audiences and subcontractor's budgets, if any. It is important to keep in mind that all subcontractor, vendor and freelance advertising work will be paid out of the lead agency's funding. The Budget Summary will be evaluated based on the degree to which budget allocations demonstrate an understanding of CDHS/TCS goals and priorities and address the requirements of the Scope of Work. The proposer must use the Contract Budget Summary format (to be mailed by State to agencies successfully completing Stage 3) and complete all unshaded blanks that apply to your proposal.

The above components will be reviewed and scored on a 150 point basis. Only agencies receiving a score of at least 105 points total will advance to the next stage of the RFP process.

E. STAGE 5: ORAL PRESENTATION
(Scoring: 100 points possible)

Each agency that participates in Stage 4 and scores at least 105 points in the review process will be contacted and invited to make an Oral Presentation **on either August 17 or 18, 2000. At the Oral Presentation, finalists will present the details of the campaign strategy developed in Stage 4.** This will be done before a review panel, and panelist will also ask clarifying questions regarding the Cost Proposal and Budget Summary submitted at Stage 4. **More detailed instructions regarding the Oral Presentation will be mailed out to the participating agencies.** The following information on the Oral Presentation is included to help participants begin organizing their ideas:

1. Duration and Location

It is anticipated that oral presentations will be conducted in Sacramento and will last up to two (2) hours. Account management, creative personnel, and media placement staff shall play a major role in the presentation.

2. Preparation

Finalists should be prepared to develop an oral presentation based on the campaign assigned in Stage 4. At the time of finalist notification or on the day of the oral presentation, CDHS/TCS may require finalists to develop an oral presentation based on an additional case study. Presentation of creative ideas shall be limited to storyboards, which can be of the stick figure type.

3. Components of the Presentation

Oral Presentation should include:

- a. General approach of the campaign.
- b. The media campaign objectives, strategies and rationale.
- c. Media selection, weight level and timing rationale.
- d. How success of the campaign will be determined.
- e. Why CDHS/TCS should award the contract to your agency.

The above components will be reviewed and scored on a 100 point basis. Only agencies receiving a score of at least 70 points total will be eligible for final consideration.

F. AWARDING OF CONTRACT

The total points for Stages 2 through 5 – a possible score of 400 – will be combined at the completion of the review process. The agency that achieves a score of at least 280 and receives the highest overall score will be awarded the contract. Should two (2) or more finalists tie with the highest points, the finalist with the highest oral presentation score will be awarded the contract. If two or more of the oral presentation scores tie, the State will request from the tied finalists a best and final offer.

A Notice of Intent to Award a Contract identifying the selected Contractor will be posted at the CDHS' Contract Management Unit for five (5) working days prior to the deadline for contract

award appeals. All proposers who submit proposals will be sent an announcement letter on the date the notice is posted at the Contract Management Unit office, CDHS.

In the event that CDHS/TCS is unable to execute a contract with an initial successful agency, CDHS/TCS reserves the right to award a contract to the proposer that has earned the next highest score and has met the requirements specified in this RFP.

In the event the contract is not accepted by the proposer with the highest score or a contract is awarded to the proposer with the highest score and later terminated, CDHS/TCS may enter into a contract with the available proposer having the next highest score in the review process for performance of remaining contract work.

G. CONTRACT INFORMATION

The agency that is selected to provide advertising services to CDHS/TCS will be required to sign a contract that details legal and programmatic obligations. Preliminary language of the contract can be viewed on or about May 18, 2000 at the CDHS/TCS website: www.dhs.ca.gov/tobacco. The successful proposer shall enter into a contract with the Department no later than twenty (20) State working days after the Notice of Intent to Award a Contract and must agree to the terms and conditions outlined in the contract language. The signed cover page to the Stage 1 submission will confirm the contract language has been read by the proposer.

H. CONFIDENTIALITY OF PROPOSALS

After CDHS/TCS posts the Notice of Intent to Award a Contract, each proposal and each proposal's score sheet are public records, subject to disclosure in accordance with the California Public Records Act (Gov. Code, sec 6250 et seq.) and may be reviewed and copied by the public, except those portions of the proposal that are exempt from disclosure as provided in the Public Records Act. While CDHS/TCS cannot guarantee the confidentiality of information submitted by the proposer, it will endeavor to protect the information to the extent possible, as permitted by law.

In order for trade secrets submitted by a proposer to be protected from disclosure by CDHS/TCS, the proposer shall identify each page and paragraph or item it regards as "confidential" and wants CDHS/TCS to protect from disclosure. Additionally, the proposer shall provide an index listing all pages and paragraphs or items marked "confidential," which includes, for each index entry, a complete justification which cites the statutory basis for each of the proposer's "confidential" classifications.

In the event CDHS/TCS receives a request for release of information marked "confidential" by the proposer, CDHS/TCS will, before disclosure, notify the proposer in writing regarding the information requested.

III. PROTOCOLS FOR SUBMISSION

A. MAILING OR DELIVERING SUBMISSIONS

Stages 1, 2, and 4 of the RFP process require written responses to be mailed or hand-delivered to CDHS/TCS. The number of copies required for each stage is specified in Section II, Stages of the Proposal Process. For each mailing, all materials should be placed in a single container (if possible) with the package clearly marked, "ATTN: RFP #00-90227 DO NOT OPEN IN MAIL ROOM." **All required submissions shall be mailed or delivered to:**

Regular mail:

Diane Hightree
Tobacco Control Section
Department of Health Services
P.O. Box 942732, MS 555
Sacramento, CA 94234-7320

For hand or overnight delivery:

Diane Hightree
Tobacco Control Section
Department of Health Services
601 N. 7th Street, MS 555
Sacramento, CA 95814

B. COMMUNICATION BETWEEN THE STATE AND PROPOSERS

From the date this RFP is released until the contract is awarded, no proposer or proposer's affiliate will initiate verbal communication related to the RFP with CDHS/TCS staff or the Advertising Proposal Review Panel.

Should any proposer need to communicate with CDHS/TCS regarding the RFP or the proposal review process, the proposer shall do so in writing and send it by mail to the mailing address found in Section III, A, or fax to (916) 322-2189. All such correspondence should be made to the attention of Russ Brown. You may call (916) 327-5425 to confirm receipt of faxed questions or inquiries. All agencies submitting questions shall clearly identify the agency submitting the question and indicate "Questions re: RFP #00-90227" on the envelope or fax cover sheet. Records of all correspondence received and CDHS/TCS responses provided will be maintained. E-mail communication regarding this RFP will not be accepted.

If a response is determined by CDHS/TCS to be of value to all interested agencies, CDHS/TCS will provide the question and its response to all agencies that are participating in the proposal process.

If a potential proposer discovers any problem, including any ambiguity, conflict, discrepancy, omission or any other error in this RFP, it shall immediately notify the CDHS/TCS program contact person, Russ Brown, of any such problem in writing and request clarification and/or modification of the document (use the address in Section III, A). Such questions may also be addressed at the on-site visit during Stage 3. If the potential proposer fails to notify the program contact person prior to May 23, 2000, of any such problem known to the proposer or any such problem that reasonably should have been known to the proposer, the proposer will submit a proposal at its own risk.

C. IMPORTANCE OF MEETING DEADLINES

As noted previously, three of the five stages of this RFP have deadlines for submitting materials to CDHS/TCS. Agencies need to pay close attention to all deadlines. All submissions received will be date stamped. Submissions that are incomplete or received after the 5 p.m. deadline on the date they are due will not be accepted for review and will be rejected immediately and returned to the proposer. A Proposal Receipt will be provided to a personal courier upon request, and this receipt shall constitute the proposer's only proof of timely submission. Mail carriers' documentation is not considered proof of receipt by CDHS/TCS. *Postmarks will not be accepted as proof of timely delivery.* Faxed submissions will not be accepted. Proposers are cautioned to allow extra time (two to five additional workdays) for CDHS/TCS internal handling of mail and package deliveries.

A submission may be withdrawn only by written request signed by a duly authorized officer of the proposing agency. The request for withdrawal of a submission must be received on company letterhead by mail, fax or hand delivery to Russ Brown at the address in Section III, A, *no later than the due date and time for that particular submission.* Submissions may not be withdrawn after that time, and all submission offers will remain in effect until the contract is awarded by the State.

D. CONDITIONS OF SUBMISSION

For the purposes of this RFP, only one proposal may be submitted from each agency. If an agency submits more than one proposal, the agency will be contacted to determine which proposal is to be considered. A subcontractor or vendor may appear in more than one proposal.

All submissions shall be complete when received at CDHS/TCS. No changes, modifications, corrections, or additions may be made once they are filed with the department.

CDHS/TCS may, at its sole discretion, waive any immaterial deviation or defect in a submission. However, the waiver of an immaterial deviation or defect in a submission will in no way modify the document or excuse the proposer from full compliance with the RFP requirements.

Items will be considered "immaterial" by CDHS/TCS if, for example, they do not affect the amount of the proposal, or if allowing the deviation does not give a proposer an advantage or benefit that would not be granted to all other proposers.

CDHS/TCS reserves the right to contact proposers at any stage of the proposal process to collect additional clarifying information, if deemed necessary.

E. PROPERTY OF CDHS/TCS

All submissions become the property of CDHS/TCS upon receipt and will not be returned to the agency. CDHS/TCS will have the right to use all ideas or adaptations of the ideas contained in any submission. Selection or rejection of the submission will not affect this right in any way.

F. COST OF SUBMISSIONS

CDHS/TCS assumes no responsibility or liability for costs incurred by proposers prior to the contract awarded from this RFP. Costs of developing submissions and presentations will not be chargeable to the State of California or included in the cost proposal.

G. GROUNDS FOR REJECTION

Issuance of this RFP in no way constitutes a commitment by CDHS/TCS to award a contract. CDHS/TCS reserves the right to reject any or all proposals or portions of proposals received in response to this RFP, or to cancel this RFP if it is in the best interest of the State to do so.

As part of the proposal review process, CDHS/TCS may review a proposer's performance under current or prior grants, contracts, or cooperative agreements with the State of California. This may include, but is not limited to, a review of financial and programmatic audits. CDHS/TCS reserves the right to reject a proposal or proposed subcontractor based on the proposer's failure to comply with contractual requirements in prior grants, contracts, or cooperative agreements with the State of California.

A proposal may be deemed nonresponsive and subsequently rejected if any of the following occurs:

1. At any time a submission is received after the exact time and date set forth in Section II for receipt of each submission.
2. The proposer fails to meet any of the preliminary eligibility requirements as specified in Section II, A.
3. The proposer fails to submit or fails to complete and sign all required Attachments as instructed in this RFP.
4. The submission contains false, inaccurate, or misleading statements or references.
5. The proposer is unwilling or unable to fully comply with the proposed contract provisions.
6. The proposer supplies conditional cost information, incomplete cost information, or cost information containing unsigned/uninitialed alterations or irregularities.

H. PROTEST TO THE AWARD

An appeal of the contract award must be received by the hearing office, by mail or fax, within five (5) State working days after the notice of intent to award has been posted. Only agencies that reach Stage 5 of the proposal process may appeal the contract award. An appeal shall be limited to the grounds that CDHS/TCS failed to apply correctly the standards for reviewing the format requirements or evaluating the appellant's proposal as specified in the RFP. The proposer shall file a full written appeal, including the issue(s) in dispute, the legal authority or

other basis for the proposer's position, and the remedy sought. The appeal shall be addressed to the Hearing Officer:

Donald O. Lyman, M.D., Chief
Division of Chronic Disease and Injury Control
Department of Health Services
P.O. Box 942732, MS 504
Sacramento, CA 94234-7320
fax (916) 445-0238

Dr. Lyman may, at his sole discretion, hold oral hearings, have a hearing on written briefs, or both. The decision of the Hearing Officer will be final.

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ADVERTISING CAMPAIGN SCOPE OF WORK

Upon CDHS/TCS approval of workplans and estimates, the Contractor will be responsible for, but not limited to, the following components:

- A. Conceptualize, develop, pre-test, produce, implement, and evaluate (post-test) a comprehensive advertising campaign, aimed at continually keeping the issue of tobacco use before the general public, in support of the goals and objectives stated in Section II.
- B. Conceptualize, develop, pre-test, produce, implement, and evaluate (post-test) customized advertising campaigns to best reach high-risk ethnic groups, youth, and/or current smokers.
- C. Develop a plan to ensure that advertising content is consistent with and complementary to CDHS/TCS-funded local program activities.
- D. Develop and present to CDHS/TCS an annual strategic recommendation for the development of advertising based on internal and external research.
- E. Develop and present to CDHS/TCS an annual strategic recommendation for the placement of media based on internal and external research.
- F. Develop, pre-test, produce, and summarize the effectiveness of advertisements. Obtain the most cost-effective buy-outs and talent agreements in cases when additional uses of advertisements and their components are anticipated (e.g., educational videos, curriculum materials), as approved in advance by CDHS/TCS.
- G. Provide copies of scientific studies, research, and calculations used to substantiate the facts used in advertisements. Ensure that facts in new advertisements are valid and consistent with previously produced advertisements.
- H. Develop a cost effective media mix of television, radio, print, outdoor, and other advertising to best reach target populations.
- I. Develop a plan for incorporating existing advertising, from the archives of California, other states, the Attorneys General Master Settlement Agreement, Proposition 10, and the federal Office on Smoking and Health, into ongoing advertising campaigns.
- J. Throughout the contract term, conduct research and market analysis to provide information about specific target audiences, market segmentation, most effective media placement, how to best position CDHS tobacco education advertising messages relative to other social marketing and advertising campaigns, and the relative merit of selected strategies and messages.
- K. Design and produce collateral promotional materials, in coordination with the public relations contractor, that support CDHS/TCS priorities and local program needs.

- L. Duplicate and distribute CDHS/TCS advertising materials to other CDHS/TCS-funded programs and other local, state and federal health promotion agencies and entities, as approved in advance by the Contract Manager or Contract Manager's designee.
- M. Provide masters of all approved advertising in video cassette, recording cassette and CD forms to CDHS/TCS for the purpose of archiving.
- N. Provide advertisement tags where available and when appropriate for local programs or designated toll-free telephone numbers, thus permitting local health education components to coordinate with the overall media campaign as required by CDHS/TCS.
- O. Develop and implement procedures for annually evaluating the effectiveness of the advertising campaign, including the content and emphasis of its strategic components. The evaluation will assess awareness of the advertising (reach and memorability) and changes in the attitudes and actions of California smokers and nonsmokers related to tobacco use as a result of exposure to the advertising. To ensure the objectivity and independence of the evaluation, the Contractor shall subcontract with a qualified research firm or research consultant to undertake the evaluation. CDHS/TCS shall provide written approval of the evaluation subcontract prior to any work being performed. All reports, data, databases, and data systems resulting from the advertising evaluation shall be the property of CDHS/TCS, governed by the Copyright and Ownership of Works, as outlined in the contract language. All drafts and reports for the evaluation shall be submitted directly to CDHS/TCS. The Contractor may receive a concurrent copy of the final evaluation report. The Contractor shall not preview the study results nor receive an advance copy of the evaluation report.
- P. Provide complete documentation to CDHS/TCS for use in preparing reports on the advertising campaign's implementation and outcomes.
- Q. Develop a management and monitoring plan for keeping CDHS/TCS apprised of all campaign activities, personnel/subcontractors responsible for activities, and an evaluation of the effectiveness and cost efficiency of these activities. At a minimum, semimonthly written activity reports and monthly budget summaries will be provided by the Contractor to CDHS/TCS, with additional reporting required at the discretion of CDHS/TCS during peak activity periods.
- R. Develop and maintain an interactive web site, which will allow visitors to find support for cessation, post messages regarding the impact of industry manipulation and tobacco use, and/or learn how to get involved in community anti-tobacco activities.

STAGE 1 COVER PAGE

PROPOSALS DUE MAY 8, 2000, 5 p.m.
LATE PROPOSALS WILL NOT BE ACCEPTED

1. Full legal name of proposer's company: _____

2. Mailing address: _____

City _____ State _____ Zip Code _____

Telephone _____ FAX _____ E-mail _____

3. Federal Taxpayer Identification Number: _____

4. Status of Contractor proposing to do business: _____

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation

a. Individual: If a sole proprietorship, state the true name of sole proprietor: _____

b. Partnership: If a partnership, list each partner, including limited partners, stating his or her true name and interest in the partnership: _____

c. Corporation: Place and date of incorporation: _____

Date corporation was authorized to do business in California: _____

President: _____

Vice President: _____

Secretary: _____

Treasurer: _____

Other Officers (Executive Officer, etc.): _____

5. The undersigned hereby affirms that:

a. the proposer has reviewed and accepts the contract provisions found at the CDHS/TCS web site,

b. the statements contained in submissions made throughout the proposal process are true and complete to the best of the proposer's knowledge,

c. the proposer accepts the obligation to comply with the applicable state and federal requirements, policies, standards and regulations, and

d. the proposer recognizes that all submissions made throughout the proposal process become public documents and open to public inspection.

Signed: _____ Date: _____

Type or print Name and Title of Authorized Representative:

Contact person during proposal process: _____ Phone: _____

REQUIREMENTS OF THE GUARANTY

The Parent Corporation shall guarantee the full and prompt performance of all covenants, terms and conditions, and agreements resulting from this RFP for the term of the contract. The Parent Corporation shall create the written Guaranty, which shall, at a minimum, meet all of the following requirements. It shall:

- A. Be made to CDHS;
- B. Be signed by an official authorized to bind the Guarantor organization;
- C. Accept unconditional responsibility for all performance and financial requirements and obligations of the contract;
- D. Recite that “for good and valuable consideration, receipt of which is hereby acknowledged,” the Guarantor is making the Guaranty; state that the Guarantor stipulates that, if the contract is ultimately awarded to the subsidiary, the CDHS/TCS will do so in reliance upon the Guaranty;
- E. State that the undersigned corporate officer warrants (1) that he or she has personally reviewed all pertinent corporate documents, including but not limited to articles of incorporation, bylaws, and agreements between the parent and subsidiary, and (2) that nothing in these documents in any way limits the capacity of the parent to enter into the instant contract of Guaranty;
- F. Include the following provisions: “CDHS/TCS need not take any action against the Proposer, any other Guarantor or any other person, firm or corporation or resort to any security held by it at any time before proceeding against the Guarantor. Further, Guarantor hereby waives any and all notices and demands which may be required to be given by any other statute or rule of law and agrees that its liability hereunder will in no way be in no way affected, diminished, or released by any extension of time, forbearance, or waiver which may be granted to _____, its successor or assignee, and that this Guaranty will extend to and include all future amendments, modifications, and extensions of the contract and all future supplemental and other agreements with respect to matters covered by the contract which CDHS/TCS and _____ may enter into, with or without notice to or knowledge of Guarantor, but Guarantor will have the benefit of any such extension, forbearance, waiver, amendment, motivation, or supplemental or other agreement; it being the purpose and intent of the parties hereto that the obligation of Guarantor hereunder will be coextensions with, but not in excess of, the obligations of _____, its successor or assignee, under the contract.”
- G. Be presented in terms which CDHS, at its discretion, determines will, as a whole, adequately establish the proposer’s financial responsibility; and
- H. Include the following provision: “Guarantor agrees that the Guaranty will continue in full force and effect despite any change in the legal or corporate status of the subsidiary including but not limited to its sale, reorganization, dissolution or bankruptcy.”

CONFLICT OF INTEREST COMPLIANCE CERTIFICATE

- A. CDHS/TCS intends to avoid conflicts of interest or the appearance of conflicts of interest on the part of the Contractor, subcontractors, or employees, officers, and directors of the Contractor or subcontractors. Thus, CDHS reserves the right to determine, at its sole discretion, whether any information received from any source indicates the existence of a conflict of interest.
- B. Either of the following instances would be considered a Conflict of Interest, including, but not limited to, the following instances:
1. An instance where the proposer/Contractor or any of its subcontractors, or any employee, officer, or director of the proposer, Contractor, or any subcontractors has responsibility for the strategy, development, media purchasing, or media planning for the Tobacco Education Media Campaign (hereinafter "Advertising Campaign") and simultaneously has a direct or substantial contractual or corporate responsibility to promote, or assist in the promotion of, the use of, or the sale of tobacco products for a company involved in, or company with a subsidiary involved in, the production, distribution, or marketing of tobacco products.
 2. An instance where the proposer/Contractor or any of its subcontractors, or any employee, officer, or director holds a position of interest, financial or otherwise, which would allow use or disclosure of information obtained from performing services for the Advertising Campaign for private or personal benefit or for any purpose that is contrary to the goals and objectives of the Advertising Campaign.
- C. If CDHS is aware of a known or suspected conflict of interest, the proposer or contractor will be given an opportunity to submit additional information or to resolve the conflict. A proposer or contractor with a suspected conflict of interest will have five (5) working days from the date of notification of the conflict by CDHS to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by CDHS and cannot be resolved to the satisfaction of CDHS, before or after the award of the contract, the conflict will be grounds for rejection of the proposal and termination of the contract.
- D. The proposer shall include in Stage 1 of the RFP process this Certificate containing the original signature of an official or employee of the proposer who is authorized to bind the proposer.
- E. This Certificate will be incorporated into the contract, if any, awarded from this RFP. Contractor shall obtain a completed Certificate from any proposed subcontractor and submit it to CDHS/TCS prior to approval of the subcontractor by CDHS/TCS.
- F. The Contractor and each subcontractor shall notify CDHS/TCS at P.O. Box 942732, MS 555, Sacramento, CA 94234-7320 within ten (10) business days of any change to the information provided on the Certificate.
- G. The State's determination of a potential Conflict of Interest will be based on all of the proposer's business affiliations and contractual relationships. If the proposer or any of its subsidiaries or its parent company is in any way involved in the production, distribution, or marketing of tobacco products, the proposer will be deemed to have a potential Conflict of Interest. If the proposer has a business affiliation with a company above its parent company and/or with any of that affiliation's holdings, the proposer shall attach to this form a description of the relationship, a plan for ensuring that such a relationship will not adversely affect the State, and procedures to guard against the existence of an actual Conflict of Interest.

The undersigned hereby affirms that:

- ☐ **The statements above have been read and that no conflict of interest exists that would jeopardize the ability of the agency to perform free from tobacco industry influence.**
- or**
- ☐ **A suspected conflict of interest does exist, and additional information (suspected conflict's name, tie with tobacco industry, association with proposer) is attached along with plan to address possible concerns.**

Signed: _____ Date: _____

Type or print Name and Authorized Representative:

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